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**Harris County Department of Education**

**General Obligation Debt**

**ANNUAL OPERATING AND FINANCIAL DATA**

**RULE 15c2-12 CONTINUING DISCLOSURE FILING**

**FISCAL YEAR ENDED AUGUST 31, 2014**

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February 5, 2015

**VALUATION AND TAX-SUPPORTED DEBT**

2014 Certified Taxable Valuation (100% of Estimated Market Value)	\$ 312,291,342 <sup>(a)</sup>
Outstanding Debt (January 1, 2015)	\$ 7,210,000 <sup>(b)</sup>
Total Direct Debt	<u>\$ 7,210,000</u>
As a % of Assessed Valuation	0.0023%

<sup>(a)</sup> Shown in thousands. Values may differ from those shown elsewhere in the document due to subsequent additions, deletions, and adjustments to the tax rolls.  
<sup>(b)</sup> Excludes sinking fund deposits for the Series 2009 Qualified Zone Academy Bonds.

**TAXABLE ASSESSED VALUATIONS BY CATEGORY <sup>(a)(c)</sup>**

	Tax Year <u>2014</u>	Tax Year <u>2013</u>	Tax Year <u>2012</u>	Tax Year <u>2011</u>	Tax Year <u>2010</u>
Real Property <sup>(b)</sup>	\$ 364,467,213	\$ 313,429,807	\$ 287,346,909	\$ 273,545,163	\$ 269,785,538
Personal Property	41,224,034	96,935,706	94,041,499	90,799,678	88,326,483
Gross Value	<u>405,691,247</u>	<u>410,365,513</u>	<u>381,388,408</u>	<u>364,344,841</u>	<u>358,112,021</u>
Less: Exemptions	93,399,905	94,886,401	91,718,875	88,677,543	86,273,825
Net Taxable Value	<u>\$ 312,291,342</u>	<u>\$ 315,479,112</u>	<u>\$ 289,669,533</u>	<u>\$ 275,667,298</u>	<u>\$ 271,838,196</u>

<sup>(a)</sup> Shown in thousands. Values may differ from those shown elsewhere in the documents due to subsequent additions, deletions, and adjustments to the tax rolls.  
<sup>(b)</sup> Net of exemptions and abatements.  
<sup>(c)</sup> Values taken from Certified Tax Rolls.

**TAX RATE DISTRIBUTION; LEVY AND COLLECTION HISTORY**

**Tax Rate Distribution**

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Maintenance	\$ 0.005999	\$ 0.006358	\$ 0.006617	\$ 0.00658	\$ 0.00658
Debt Service	-	-	-	-	-
Total	<u>\$ 0.005999</u>	<u>\$ 0.006358</u>	<u>\$ 0.006617</u>	<u>\$ 0.00658</u>	<u>\$ 0.00658</u>

Fiscal Year End	Tax Year	Taxable Assessed Valuation <sup>(b)</sup>	Tax Rate	Tax Levy	Percent Collected	
					Current	Total <sup>(a)</sup>
2011	2010	\$ 271,838,196	\$ 0.006581	\$ 17,932,851	98.52%	98.78%
2012	2011	275,667,298	0.006581	18,198,751	98.64%	99.42%
2013	2012	289,669,533	0.006617	18,141,665	98.51%	98.51%
2014	2013	315,479,112	0.006358	19,167,433	98.71%	100.39%
2015	2014	312,291,342	0.005999	20,046,263	(In process of collection)	

<sup>(a)</sup> Excludes penalties and interest.  
<sup>(b)</sup> Shown in thousands.

**AUTHORIZED BUT UNISSUED UNLIMITED TAX BONDS**

Date Authorized	Purpose	Amount Authorized	Heretofore Issued	Authorized But Unissued
The Harris Co. Dept. of Edu. does not have any authorized but unissued debt.				

**DEBT SERVICE REQUIREMENTS <sup>(a)</sup>**

FYE 31-Aug	Outstanding Debt Service	The Bonds			Total Debt Service
		Principal	Interest	Total	
2015	\$ 690,029	\$ -	\$ -	\$ -	\$ 690,029
2016	692,829	-	-	-	692,829
2017	694,229	-	-	-	694,229
2018	690,329	-	-	-	690,329
2019	691,129	No 2014 GO debt Issuances			691,129
2020	451,429	-	-	-	451,429
2021	451,429	-	-	-	451,429
2022	451,429	-	-	-	451,429
2023	451,429	-	-	-	451,429
	<u>\$ 5,264,257</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,264,257</u>
Average Annual Debt Service Requirements					\$ 601,604
Maximum Annual Debt Service Requirements					\$ 694,229

<sup>(a)</sup> Includes sinking fund deposits for the Series 2009 Qualified Zone Academy Bonds.

**TAX ADEQUACY**

Average Annual Debt Service Requirements	\$	601,604
0.00020 per \$100 AV against the 2014 Taxable AV, at 95% collection, produces	\$	601,664
Maximum Annual Debt Service Requirements	\$	694,229
0.00023 per \$100 AV against the 2014 Taxable AV, at 95% collection, produces	\$	694,298

**TEN LARGEST TAXPAYERS**

Name	2014 Net Taxable	% of Total 2014
	Assessed Valuation	Assessed Valuation
EXXON MOBIL CORP	\$ 3,224,580,463	1.11%
CENTERPOINT ENERGY INC	2,780,024,858	0.96%
SHELL OIL CO	2,372,359,282	0.82%
CHEVRON CHEMICAL CO	2,156,757,286	0.75%
EQUISTAR CHEMICALS LP	1,256,492,086	0.43%
HEWLETT PACKARD	1,217,931,183	0.42%
NATIONAL OILWELL INC	1,054,591,372	0.36%
CRESCENT REAL ESTATE	917,216,307	0.32%
WAL MART	875,506,421	0.30%
LYONDELL CHEMICAL CO	784,716,345	0.27%
	<u>\$ 16,640,175,603</u>	<u>5.75%</u>

**GENERAL FUND REVENUES AND EXPENDITURE HISTORY <sup>(6)</sup>**

For Fiscal Year Ended August 31st

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
<b>REVENUES</b>					
Local and Intermediate Sources	\$ 43,502,487	\$ 41,660,806	\$ 39,507,452	\$ 40,280,929	\$ 38,359,185
State Program Revenues	2,720,828	2,678,452	2,803,397	2,880,297	2,380,627
Federal Program Revenues	1,658,526	2,231,075	2,078,715	2,276,822	2,256,357
<b>Total Revenues</b>	<u>\$ 47,881,841</u>	<u>\$ 46,570,333</u>	<u>\$ 44,389,564</u>	<u>\$ 45,438,048</u>	<u>\$ 42,996,169</u>
<b>EXPENDITURES</b>					
Adult Education-Local	\$ 136,826	\$ 138,947	\$ 134,897	\$ 144,467	\$ 281,168
Alternative Teacher Certification	340,141	196,592	170,007	86,709	102,752
Assistant Superintendent-Harris	465,329	458,711	446,650	454,940	454,813
Board of Trustees	194,851	158,756	108,958	139,736	120,431
Business Services	1,654,106	1,605,591	1,525,180	1,573,952	1,635,352
Center for Safe and Secure Schools	747,801	409,064	413,600	623,732	415,569
Center for School Governance	129,596	177,207	180,248	182,784	184,855
Choice Facility Partners	1,592,628	1,579,519	1,367,157	1,171,149	1,072,172
Client Development Services	410,161	403,990	403,415		
Communications & Public Information	653,013	653,799	506,026	931,143	676,953
Cooperative for After School Enrichment	162,300	159,740	164,276	370,538	185,892
Department-Wide	5,489,076	5,509,651	5,247,400	6,011,303	6,089,433
Digital Learning & Instructional Tech.	27,572	112,789	136,687	160,571	216,549
Early Childhood Intervention Keep Pace	78,163	43,859	52,362		
Education Foundation	200,754	200,035	200,322	150,782	165,344
External Relations Officer	-	6,265	64,479	76,259	77,220
Facilities Services	451,170	552,735	412,563	1,875,564	422,598
Headstart	-	16,835	24,391		
Human Resources	924,157	874,293	871,536	934,284	913,737
Institutional Support	1,217,735	950,549	889,091	978,342	962,628
Principal Certification	-	-	-	96,667	68,664
Public Information Services	-	-	-	-	-
Purchasing Cooperatives	-	-	-	792,975	869,923
QZAB	110,972	311,727	853,810	3,101,860	796,984
Preschool Early Childhood Initiative	36,600	-	-	-	-
Purchasing Support Services	427,646	394,816	355,414	-	-
Records Management Cooperatives	1,527,654	1,516,613	1,603,485	1,402,283	1,525,365
Research and Evaluation	482,391	453,375	450,620	441,394	425,438
Resource Development	504,065	551,069	552,633	583,081	547,611
Retirement Leave Benefits	410,154	219,305	224,144	261,983	65,515
Scholastic Art	72,286	71,961	60,062	78,239	77,238
Special Education Services	7,931,371	7,703,718	7,318,381	7,727,963	7,986,310
Special Schools Administration	10,623,818	9,977,362	9,838,623	10,299,966	10,297,155
Superintendent's Office	505,248	370,259	351,005	353,242	342,740
Technology Services Division	4,187,118	4,115,375	3,069,301	3,365,993	3,505,672
Texas Learns	-	-	2,264	84	48
Bond Issuance Costs-QZAB & MTN	-	-	-	-	-
<b>Total Expenditures</b>	<u>\$ 41,694,702</u>	<u>\$ 39,894,507</u>	<u>\$ 37,998,987</u>	<u>\$ 44,371,985</u>	<u>\$ 40,486,129</u>
Excess (Deficiency) Rev. Over Exp.	\$ 6,187,139	\$ 6,675,826	\$ 6,390,577	\$ 1,066,063	\$ 2,510,040
Other Resources	-	-	-	-	-
Sale of Equipment	135	100	7,226	-	-
Maintenance Tax Notes (MTN) Proceeds	-	-	-	-	-
QZAB Bond Sale Proceeds	-	-	-	-	-
Premium on QZAB Bond Sale & MTN	-	-	-	-	-
Transfers Out (Uses)	(4,401,089)	(3,684,584)	(3,799,865)	(3,570,256)	(3,833,475)
Excess (Deficiency) of Revenues and Other Resources Over Exp. and Other Uses	\$ 1,786,185	\$ 2,991,342	\$ 2,597,938	\$ (2,504,193)	\$ (1,323,435)
Fund Balance - September 1 (Beginning)	\$ 24,815,014	\$ 21,823,672	\$ 19,225,734	\$ 21,729,927	\$ 23,053,362
Increase (Decrease) in Fund Balance	<u>26,601,199</u>	<u>24,815,014</u>	<u>21,823,672</u>	<u>19,225,734</u>	<u>21,729,927</u>
<b>Fund Balance - August 31 (Ending)</b>	<u>\$ 51,416,213</u>	<u>\$ 46,638,686</u>	<u>\$ 41,049,406</u>	<u>\$ 40,955,661</u>	<u>\$ 44,783,289</u>

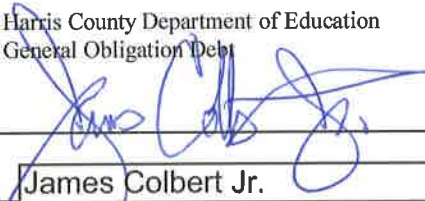
<sup>(6)</sup> Source: Department's audited financial reports. See "Appendix B -- EXCERPTS FROM THE DEPARTMENT'S AUDITED FINANCIAL REPORTS."

**THE DEPARTMENT'S AUTHORIZATION**

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The information set forth herein has been furnished by the Department and by sources which are believed to be accurate and reliable but no representation is made with respect to the accuracy or completeness of information obtained from sources other than the Department. Statements which involve estimates, forecasts, or other matters of opinion are intended solely as such and are not to be construed as representations of facts. Furthermore, the information herein is subject to change without notice and will not, under any circumstances, create any implication that there has been no change in the affairs of the Department or other parties described herein.

Harris County Department of Education  
General Obligation Debt

Signature:  \_\_\_\_\_  
Name:   
Title:   
Date: